

Utility and Banking Subcommittee of House Commerce Committee

Amendment No. 1 to HB1378

**Rhinehart
Signature of Sponsor**

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 1655

House Bill No. 1378*

by deleting Sections 9, 20 and 21 of the introduced bill in their entirety.

AND FURTHER AMEND by deleting Section 16 of the introduced bill in its entirety and by substituting instead the following:

SECTION 16. Tennessee Code Annotated, Section 45-13-106(a), is amended by deleting such subsection in its entirety and by substituting instead the following:

(a) At the time of filing of an application for a license, the applicant shall also file with the commissioner a surety bond payable to the state or an irrevocable letter of credit, in each case in a form to be approved by the commissioner, for the benefit of any person injured by the wrongful act, default, fraud or misrepresentation of the licensee or the licensee's employees, or both. If the applicant proposes to make or service mortgage loans, the surety bond or irrevocable letter of credit shall be in the amount of two hundred thousand dollars (\$200,000). For all applicants whose activities are limited to the brokering of mortgage loans, the surety bond or irrevocable letter of credit shall be in the amount of ninety thousand dollars (\$90,000). Only one (1) bond or letter of credit is required for any licensee, irrespective of the number of employees or offices of such license. A person licensed under this part on July 1, 2001, shall comply with the requirements of this subsection upon the filing of a renewal application on or before December 1, 2002.